(b) The details are given in Appendix 19 of Import-Export Policy, 85—88 (Vol. I.)

(c) A provision exists under Duty Exemption Scheme in para 29 of Appendix 19 of Import-Export Policy, 1985—88 (Vol. I) for follow-up and penal action in order to ensure fulfilment of Export Obligations.

2. Value of the licence for raw silk under Duty Exemption Scheme is adjusted against the REP entitlement as provided in the policy for 1983-84, 1984-85 and the current policy.

3. Procurement of raw silk from the canalising agency in terms of import policy for 1983-84, 1984-85 and the current policy by Actual Users (Industrial) is subject to 'Actual User' condition.

News-item captioned 'Assets worth Rs. 43 lakhs seized

1000. SHRI DHULESHWAR MEENA: Will the Minister of COMMERCE be pleased to state:

(a) whether Government's attention has been drawn to the news-item captioned "Assets worth Rs. 43 lakhs seized" which appeared in the "Statesman" of the 20th February, 1986;

(b) whether any investigation has been made as to how these officers in the office of the Chief Controller of Exports and Imports accumulated so much in cash and kind and if so, what are the details thereof; and

(c) what steps Government propose to take so as to keep a watch on officers working in vulnerable position?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKAR): (a) Yes, Sir.

(b) The case is under investigation by C.B.I.

(c) The officers concerned have been placed under suspension and constant watch is being kept on Officers working in sensitive positions.

Suggestions on Budget and fiscal policy from the public

1001. SHRI J. K. JAIN: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that his Ministry has invited proposals and suggestions from the general public on Budget and fiscal policy of Government;

(b) if so, whether any cash awards have been offered for the same;

(c) what has been the response of the general public towards the offer;

(d) whether any cash awards have been made; and

(e) if so, what are the details in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARY): (a) Yes, Sir.

(b) A cash prize of Rs. 2,000 was offered for the best set of suggestions in the first announcement. This was subsequently raised to Rs. 5,000.

(c) The response of the public has been very good.

(d) and (e) The suggestions are being scrutinised. Those which, after screening, are found to be useful will be considered for the award.

Study made by RBI on bank fraud

1002. SHRI DHULESHWAR MEENA: Will the Minister of FINANCE be pleased to state:

(a) whether a recent study made by the Reserve Bank of India has revealed that over 10,000 cases of

bank frauds involving a staggering amount of Rs. 150 crores have been detected in the 28 public sector banks during the last five years;

(b) if so, what had been the techniques adopted for committing such frauds and what are the reasons for which it could not be possible to detect the frauds by the local authorities of the concerned banks;

(c) what are the broad features of some of the typical cases of fraud which have come to light;

(d) what action Government have taken against the delinquent bank officials; and

(e) what are the various remedial measures proposed by Government to check such frauds in future?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARY): (a) The Reserve Bank of India overseas the functioning of commercial banks, including monitoring of fraud cases on a continuous basis. It also reviews fraud cases of individual banks annually. According to RBI the available information regarding total number of cases of frauds perpetrated in India and outside India and the amounts involved therein, irrespective of the dates of occurrence, as reported by 28 public sector banks for the last 5 years is as given below:

Year	No of Frauds	Amount involved (Rs. in crores)
1981	1892	20·36 Approx
1982	2078	22·38 ,,
1983	2371	30·20 ,,
1984	2469	40·87 ,,
1985	2189	114·63 ,,

(Data Provisional)

Note: The amounts involved, as indicated above, do not necessarily represent the actual losses which the banks may have to ultimately suffer.

(b) and (c) The Reserve Bank of India has reported that the techniques adopted for committing such frauds, include misfeasance, embazzlement, theft, misappropriation of funds, conversion of property, cheating, shortage, irregularities, breach of trust, manipulation of books of accounts, fraudulent encashment of instruments, alteration of instruments, unauthorised handling of securities charged to banks etc. Such frauds, which are acts of criminal deception, are perpetrated either singly or in collusion with others with a view to deriving gains to which one is not legally entitled, either to meet temporary financial trouble with intention to set right the matter as soon as they are in a position to do so or because of inherent human weakness for wealth and/or because of lack of effective control system in the banks.

(d) whenever a fraud is detected by a bank or brought to its notice, the bank takes up preliminary investigation or hands over the case to the local police or to CBI and, based on the enquiry reports received from the CBI/Police or internal inquiry, banks award punishment to their staff who are found to be responsible for the frauds or whose lapses or whose negligence facilitated the commission of frauds.

(e) The banks have been instructed to gear up the vigilance machinery in the organisation and to improve procedures and systems so that frauds can be prevented. Accordingly, the banks are taking steps to strengthen control mechanisms and to improve management information systems as also effective follow-up action. Clearance of arrears in balancing of books and reconciliation of inter-branch and other accounts are also being undertaken on a continuous basis. Information is also circulated by RBI to banks giving details of novel methods of frauds and advising banks to adopt necessary safeguards.

Books of instructions are also circulated by banks amongst their staff indicating precautions/checks which should be observed to prevent occurrence of frauds.

Workers in MITCO

1003. SHRI CHATURANAN MISHRA: Will the Minister of COMMERCE be pleased to state:

(a) whether it is a fact that due to faulty functioning of MITCO in recent years the number of factory workers and small dealers have gone down heavily in mica industry of Bihar; and

(b) if so, what action Government to propose to take in the matter?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKAR): (a) and (b) The mica trade fall under highly unorganised sector. As such authentic statistics on the number of workers employed in the trade is not available. The number of weaker section dealers registered with MITCO which were 1022 in 1982 went upto 1940 in 1984-85. Mica Trading Corporation of India Limited (MITCO) is pursuing policies designed to give maximum benefit to the weaker section of dealers as well as workers in the mica trade. With a view to provide means of livelihood to the mica dealers belonging to weaker sections, MITCO makes more than 90 per cent of its purchases of mica from them. It has introduced a scheme "support the weakest" under which small mica processors can even supply very small quantities of mica. A series of export promotion measures have also been taken to promote export of value-added mica products and generate employment thereby.

Complaints against MITCO

1004. SHRI CHATURANAN MISHRA: Will the Minister of COMMERCE be pleased to state:

(a) whether Government have received a complaint dated the 2nd January, 1986 from the small mica traders of Bihar regarding widespread corruption, delay in payment of bills and arbitrary fixation of prices of mica purchased by MITCO; and

(b) if so, whether Government propose to hold any enquiry into the matter?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER): (a) and (b) A representation has been received and the matter is being looked into.

Export of Manufactured Mica and Processed Mica

1005. SHRI CHATURANAN MISHRA: Will the Minister of COMMERCE be pleased to state:

(a) whether it is a fact that the proportion of export of manufactured mica in comparison to processed mica has considerably increased in recent years; and

(b) if so, whether Government propose to negotiate with the countries importing bulk processed mica from India to have long term arrangement with India for import of manufactured mica of their specifications instead of processed mica, which will generate employment in India and bring higher returns?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER): (a) Yes, Sir.

(b) Government is in constant touch with important importing countries for increase of-take of manufactured mica/value added mica based products on a long term basis.

Medium-term Loans to States

1006 SHRI SURESH PACHOURI: Will the Minister of FINANCE be pleased to state:

(a) whether in order to relieve the strain on the States' resources caused